

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 1389 - HB 1553

March 5, 2009

SUMMARY OF BILL: Exempts home builders and their employees from real estate broker licensing requirements if they sell properties owned by the home builder.

ESTIMATED FISCAL IMPACT:

**Decrease State Revenue – \$160,000 Biennially/Real Estate
Commission**

**Other Fiscal Impact – The Tennessee Real Estate Commission
will increase license and renewal fees to recoup the loss of
revenue.**

Assumptions:

- According to the Tennessee Real Estate Commission, an estimated 2,000 existing licensees would be exempt from renewal. The biennial renewal fee for a real estate license is \$80. Total decrease in state revenue is estimated to be \$160,000 (2,000 licensees x \$80 renewal) which will result in a fee increase to cover the loss of revenue.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Commission had a positive balance of \$1,786,230.77.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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